

Changes in Long Term Care Insurance

In 2004, PEHP and the State of Utah entered into a partnership with Aetna Life Insurance Co. to offer **Long Term Care (LTC) insurance** for state employees and their families. This year (2007), Aetna Life Insurance Co. entered into a collaborative agreement with Prudential Financial to transfer administration of this plan over to Prudential Financial.

In an effort to make this transition a smooth process, Prudential will rollout this new plan in two phases. 1. New hires will be offered the LTC Benefit as of January 2008. 2. Existing LTC members will transfer over to Prudential as of March or April 2008. If you are affected by this second option, you will receive a letter prior to the transfer.

Existing state employees, who do not have an LTC benefit, will not be able to enroll on this plan until a new open enrollment period is offered. We are hoping to open up a new enrollment period some time within the next 3 to 5 years.

A plan design comparison from Aetna to Prudential is listed below.

Plan Design Comparison		
Benefits Offered	Aetna Life Ins Co.	Prudential Financial
Benefit Eligibility	2 of 6 *ADL's or Severe Cognitive Impairment	2 Of 6 ADL's or Severe Cognitive Impairment
Plan Model	Service Reimbursement	Service Reimbursement
Assisted Living Facility/Home Health Care/Adult Day Care DBM	100% / 60% / 60% of *NH *DBM	100% / 60% / 60% of NH DBM
Informal Care Benefit	25% of NH DBM 50 days/year	Cash Alternative Benefit 30% of NH DBM (365 days/year)
International Benefit	Not Available	75% benefit for up to 365 days with Cash Alternative Benefit available thereafter
Transitional Care	3X NH *DBA	Independence Support Benefit 50X NH DBM per lifetime
Caregiver Training	3X NH DBA	5Z NH DBM per lifetime
Benefits Paid During Waiting Period	None	Independence Support, Caregiver Training, Private Care Mgmt, Hospice
Respite Care	75% of NH DBA, 21 days per year	100% of NH DBM for 21 days per year
Restoration of Benefits	After 90 days not benefit eligible	After 6 months of total recovery
Bed Reservation	21 days per year	21 days per year
Premium Waiver	Upon satisfaction of waiting period	Month after satisfaction of waiting period
Premium Discount	10% Spousal Discount	10% Married Person's Discount
Direct Bill Modal Premium Discounts	None	6% for Annual Mode 3% for Semi-Annual Mode

*ADL (Activities of Daily Living) *NH (Nursing Home) *DBM (Daily Benefit Maximum)

*DBA (Daily Benefit Allowance)